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12	Attorneys for Debtors and Debtors-in-Possession
13	

#### UNITED STATES BANKRUPTCY COURT **DISTRICT OF NEVADA**

In re:	Case No. BK-S-0
USA COMMERCIAL MORTGAGE COMPANY,	Case No. BK-S-0
Debtor.	Case No. BK-S-0
In re:	Case No. BK-S-0
USA CAPITAL REALTY ADVISORS, LLC,	Case No. BK-S-0
Debtor.	Case Ivo. DIX-5-0
	Chamtan 11
In re:	Chapter 11
USA CAPITAL DIVERSIFIED TRUST DEED	
FUND, LLC,	Jointly Administ
Debtor.	Case No. BK-S-0
In re:	
USA CAPITAL FIRST TRUST DEED FUND, LLC,	
Debtor.	
In re:	MONTHLY OPI
USA SECURITIES, LLC,	FOR JUNE 2007
Debtor.	COMMERCIAL
Affects:	COMPANY)
☐ All Debtors	,
■ USA Commercial Mortgage Company	
☐ USA Capital Realty Advisors, LLC	
☐ USA Capital Diversified Trust Deed Fund, LLC	
☐ USA Capital First Trust Deed Fund, LLC	
☐ USA Securities, LLC	
	l

06-10725 LBR 06-10726 LBR 06-10727 LBR 06-10728 LBR 06-10729 LBR

E-FILED ON AUGUST 29, 2007

tered Under 06-10725 LBR

PERATING REPORT 7 (AFFECTS USA L MORTGAGE

# UNITED STATES BANKRUPTCY COURT DISTRICT OF NEVADA

In re: USA Commercial Mortgage Company	Case No.	06-10725-LBR
	CHAPTER 11 MONTHLY OPERATI (GENERAL BUSINES)	

		(GENERAL BUSINES						
	SUMMARY OF FINANCIAL STATUS							
	MONTH ENDED: <u>06/30/07</u>	PETITION DATE:	04/13/06					
1.	Debtor in possession (or trustee) hereby submits this Monthly Op the Office of the U.S. Trustee or the Court has approved the Cash Dollars reported in \$1	n Basis of Accounting for the		f checked here				
2.	Asset and Liability Structure	End of Current <u>Month</u>	End of Prior <u>Month</u>	As of April 13, 2006				
	a. Current Assets	\$17,391,191	\$25,712,760					
	b. Total Assets	\$17,391,191	\$25,712,760	\$122,468,825				
	c. Current Liabilities	\$9,870,554	\$18,118,755					
	d. Total Liabilities	\$9,976,604	\$18,224,805	\$61,634,630				
_				Cumulative				
3.	Statement of Cash Receipts & Disbursements for Month	Current Month	Prior Month	(Case to Date)				
	a. Total Receipts	\$52,919	\$5,094,614	\$40,136,239				
	b. Total Disbursements	\$8,374,488	\$235,832	\$27,418,428				
	c. Excess (Deficiency) of Receipts Over Disbursements (a - b)	(\$8,321,569)	\$4,858,782	\$12,717,811				
	d. Cash Balance Beginning of Month	\$21,615,612	\$16,756,830	\$576,231				
	e. Cash Balance End of Month (c + d)	\$13,294,043	\$21,615,612	\$13,294,043				
		Comment Manth	Data Manda	Cumulative				
4	Duefit/(Logg) from the Statement of Operations	Current Month	Prior Month \$1,028,758	(Case to Date) (\$31,593,306)				
4. 5.	Profit/(Loss) from the Statement of Operations Account Receivables (Pre and Post Petition)	(\$73,368) \$4,097,148	\$4,097,148	(\$31,393,300)				
5. 6.	Post-Petition Liabilities	\$9,870,554	\$18,118,755					
7.	Past Due Post-Petition Account Payables (over 30 days)	\$41,008	\$41,008					
7.	1 ast Due 1 ost-1 etition Account 1 ayables (over 50 days)	ψ41,008	Ψ41,000					
At th	ne end of this reporting month:		Yes	<u>No</u>				
8.	Have any payments been made on pre-petition debt, other than pa	ayments in the normal		X				
	course to secured creditors or lessors? (if yes, attach listing include							
	payment, amount of payment and name of payee)	8						
9.	Have any payments been made to professionals? (if yes, attach l	isting including date of		X				
	payment, amount of payment and name of payee)							
10.	If the answer is yes to 8 or 9, were all such payments approved b	y the court?						
11.	Have any payments been made to officers, insiders, shareholders			X				
	attach listing including date of payment, amount and reason for p							
12.	Is the estate insured for replacement cost of assets and for general	ıl liability?		X				
13.	Are a plan and disclosure statement on file?		X					
14.	Was there any post-petition borrowing during this reporting period	od?		X				
15.	Check if paid: Post-petition taxes $\frac{X}{X}$ ; U.S. Tax reporting and tax returns: $\frac{X}{X}$ . (Attach explanation, if post-petition taxes or U.S. Trustee Quarte reporting and tax return filings are not current.)	Trustee Quarterly Fees X	_	t for: Post-petition				
	lare under penalty of perjury I have reviewed the above summary ave these documents are correct.		520 - 58	onable inquiry				
		2580	1/					
	0/22/2007 0 00	CHO W	2					
Date	8/23/2007 0:00							

Responsible Individual

#### STATEMENT OF OPERATIONS

#### (General Business Case)

For the Month Ended 06/30/07

	<b>Current Month</b>				
<u>Actual</u>	<u>Forecast</u>	<u>Variance</u>		Cumulative (Case to Date)	Next Month <u>Forecast</u>
		40	Revenues:	Ф21 102 <b>7</b> 0 с	
	<del></del>	\$0	1 Gross Sales 2 less: Sales Returns & Allowances	\$21,102,796	
\$0	<u> </u>	\$0	2 less: Sales Returns & Allowances 3 Net Sales	\$21.102.706	\$0
\$0 \$0	\$0	\$0 \$0		\$21,102,796	\$0
\$0 \$0	\$0	\$0 \$0	4 less: Cost of Goods Sold (Schedule 'B') 5 Gross Profit	\$21,102,796	\$0
(\$70,991)	<u>Φ</u> 0	(\$70,991)	6 Interest	\$151,072	\$0
(\$70,991)	<del>-</del>	\$0	7 Other Income:	\$8,044	
<del></del>		\$0 \$0	8 Intercompany allocations	\$334,467	
<del></del>	<del></del> -	\$0 \$0	9 Gain on Sale of Assets	\$1,609,428	
(\$70,991)	\$0	(\$70,991)	10 Total Revenues	\$23,205,807	\$0
		¢0	Expenses:		
		\$0	11 Compensation to Owner(s)/Officer(s)	Φ1 77 1 2 12	
·	<u> </u>	\$0	12 Salaries	\$1,774,342	
		\$0	13 Commissions	\$140,833	
		\$0	14 Contract Labor		
			Rent/Lease:		
		\$0	15 Personal Property	\$8,861	
\$425		(\$425)	16 Real Property	\$543,557	
		\$0	17 Insurance	\$71,737	
		\$0	18 Management Fees		
		\$0	19 Depreciation	\$176,590	
			Taxes:		
		\$0	20 Employer Payroll Taxes	\$98,105	
		\$0	21 Real Property Taxes		
		\$0	22 Other Taxes	\$53,149	
		\$0	23 Other Selling	\$51,187	
\$1,952		(\$1,952)	24 Other Administrative	\$975,005	
		\$0	25 Interest	\$4,556	
		\$0	26 Other Expenses:		
		\$0	27 Loss on Tranfer to Trustee	\$30,151,158	
		\$0	28		
		\$0	29		
		\$0	30		
		\$0	31		
		\$0	32		
		\$0	33		
	<u> </u>	\$0	34		
\$2,377	\$0	(\$2,377)	35 Total Expenses	\$34,049,080	\$0
(\$73,368)	\$0	(\$73,368)	36 Subtotal	(\$10,843,273)	\$0
			Reorganization Items:		
		\$0	37 Professional Fees	(\$20,722,033)	
		\$0	38 Provisions for Rejected Executory Contracts		
_	-	\$0	39 Interest Earned on Accumulated Cash from		
_	-		Resulting Chp 11 Case		
		\$0	40 Gain or (Loss) from Sale of Equipment		
		\$0	41 U.S. Trustee Quarterly Fees	(\$28,000)	
		\$0	42		
\$0	\$0	\$0	43 Total Reorganization Items	(\$20,750,033)	\$0
(\$73,368)	\$0	(\$73,368)	44 Net Profit (Loss) Before Federal & State Taxes	(\$31,593,306)	\$0
	· .	\$0	45 Federal & State Income Taxes		•
(\$73,368)	\$0	(\$73,368)	46 Net Profit (Loss)	(\$31,593,306)	\$0

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

#### **BALANCE SHEET**

#### (General Business Case)

For the Month Ended 06/30/07

#### Assets

125.		From Schedules	Market Value <sup>1</sup>
	Current Assets	<u> </u>	
1	Cash and cash equivalents - unrestricted		\$9,268,150
2	Cash and cash equivalents - restricted		\$4,025,893
3	Accounts receivable (net)	A	\$4,097,148
4	Inventory	В	\$0
5	Prepaid expenses		
6	Professional retainers		
7	Other:		
8			
9	<b>Total Current Assets</b>		\$17,391,191
	Property and Equipment (Market Value)		
10	Real property	С	
11	Machinery and equipment	D	
12	Furniture and fixtures	D	
13	Office equipment	D	
14	Leasehold improvements	D	
15	Vehicles	D	
16	Other:	D	
17		<i>D</i>	
18		D	
19		D	
20		D	
21	<b>Total Property and Equipment</b>		\$0
	Other Assets		
22	Loans to shareholders		
23	Loans to affiliates		
24			
25			
26		<u></u>	
27			
28	<b>Total Other Assets</b>		\$0
29	<b>Total Assets</b>		\$17,391,191

#### **NOTE:**

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

1 - The method used to estimate the market value of assets was net book value at the end of the current reporting period as market value has not been determined.

## Liabilities and Equity (General Business Case)

#### **Liabilities From Schedules**

#### **Post-Petition**

#### **Current Liabilities**

30	Salaries and wages		
31	Payroll taxes	_	
32	Real and personal property taxes	_	
33	Income taxes	_	
34	Sales taxes	_	
35	Notes payable (short term)	_	
36	Accounts payable (trade)	A	\$43,257
37	Real property lease arrearage	_	
38	Personal property lease arrearage	_	
39	Accrued professional fees	_	\$4,713,763
40	Current portion of long-term post-petition debt (due	within 12 months)	
41	Other: Retirement plan		\$1,105,535
42	Due to DTDF and other liabilities		\$4,007,999
43			
44	<b>Total Current Liabilities</b>	<u>-</u>	\$9,870,554
45	Long-Term Post-Petition Debt, Net of Current Portion	_	
46	<b>Total Post-Petition Liabilities</b>	_	\$9,870,554
	Pre-Petition Liabilities (allowed amount) <sup>1</sup>		
47	Secured claims <sup>1</sup>	F	\$0
48	Priority unsecured claims <sup>1</sup>	- F	\$106,050
49	General unsecured claims <sup>1</sup>	_	Ψ100,000
49	General unsecured craims	F _	
50	<b>Total Pre-Petition Liabilities</b>	_	\$106,050
51	Total Liabilities	_	\$9,976,604
	<b>Equity (Deficit)</b>		
52	Retained Earnings/(Deficit) at time of filing		\$38,932,893
53	Capital Stock	_	\$75,000
54	Additional paid-in capital	<del>-</del>	
55	Cumulative profit/(loss) since filing of case	<del>-</del>	(\$31,593,306)
56	Post-petition contributions/(distributions) or (draws)	<del>-</del>	· · · · · · · · · · · · · · · · · · ·
57		_	
58	Market value adjustment	 	
59	<b>Total Equity (Deficit)</b>	_	\$7,414,587
60	Total Liabilities and Equity (Deficit)	<u>-</u>	\$17,391,191

#### NOTE:

<sup>1 -</sup> Allowed Amounts have not yet been determined and are contigent upon approval from the Bankruptcy Court. The pre-petition liabilities' amounts above reflect the claimed amounts filed on Schedules.

#### SCHEDULES TO THE BALANCE SHEET

(General Business Case)

### Schedule A

#### Accounts Receivable and (Net) Payable

**Accounts Receivable** 

Receivables and Payables Agings 0 -30 Days			[Pre and Post Petition]	[Post Petition] \$2,249	Post Petition Debt
31-60 Days				\$0	
61-90 Days				\$4,999	\$41,008
91+ Days				\$36,009	Ψ11,000
Total accounts receivable/payable			\$0	\$43,257	
Allowance for doubtful accounts				Ψ13,231	
Accounts receivable (net)			\$0		
Accounts receivable (net)			Φ0		
	S	chedi	ule B		
	Inventory/	Cost	of Goods Sold		
Types and Amount of Inventory(ies)			Cost of Goods Sold		
<del></del>	Inventory(ies)				
	Balance at				
	End of Month		Inventory Beginning of Mo	onth	
			Add -		
Retail/Restaurants -			Net purchase		
Product for resale			Direct labor		
_		_	Manufacturing overhead		
Distribution -			Freight in		
Products for resale			Other:		
Troducts for resaic			Other.		
Manufacturer -					
Raw Materials					
Work-in-progress		_	Less -		
Finished goods		_	Inventory End of Month		
			Shrinkage		
Other - Explain			Personal Use		
			101301411 030		
TOTAL	40		Cost of Goods Sold		\$0
TOTAL	\$0	-			
Method of Inventory Control			Inventory Valuation Metho	ods	
Do you have a functioning perpetual in	ventory system?		Indicate by a checkmark me	thod of inventory used	
Yes No					
How often do you take a complete phys	sical inventory?		Valuation methods -		
			FIFO cost		_
Weekly			LIFO cost		_
Monthly			Lower of cost or market		_
Quarterly			Retail method		_
Semi-annually			Other		_
Annually			Explain		=
Date of last physical inventory was					
Date of next physical inventory is					
zace of home physical inventory is					

**Past Due** 

**Accounts Payable** 

### 

#### Schedule C Real Property

Description		Cost	Market Value
Total		<u>\$0</u>	\$0
	Schedule D Other Depreciable Assets		
Description Machinery & Equipment -		Cost	<u>Market Value</u>
Total		\$0	\$0
Furniture & Fixtures -			
Total		\$0	\$0
Office Equipment -			
Total		\$0	\$0
Leasehold Improvements -			
Total		\$0	\$0
Vehicles -			
Total		\$0	\$0

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# Schedule E Aging of Post-Petition Taxes (As of End of the Current Reporting Period)

Taxes Payable	<u>0-30 Days</u>	31-60 Days	61-90 Days	91+ Days	<u>Total</u>
Federal					
Income Tax Withholding					\$0
FICA - Employee					\$0
FICA - Employer					\$0
Unemployment (FUTA)					\$0
Income					\$0
Other (Attach List)					\$0
Total Federal Taxes	\$0	\$0	\$0	\$0	\$0
State and Local					
Income Tax Withholding					\$0
Unemployment (UT)					\$0
Disability Insurance (DI)					\$0
Empl. Training Tax (ETT)					\$0
Sales					\$0
Excise					\$0
Real property					\$0
Personal property		,			\$0
Income					\$0
Other (Attach List)					\$0
Total State & Local Taxes	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$0	\$0	\$0	\$0	\$0

#### Schedule F Pre-Petition Liabilities

	Claimed <sup>1</sup>	Allowed <sup>2</sup>
<u>List Total Claims For Each Classification -</u>	<u>Amount</u>	Amount (b)
Secured claims (a)		
Priority claims other than taxes	\$54,168	
Priority tax claims	\$51,882	
General unsecured claims		

- (a) List total amount of claims even it under secured.
- (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

# Schedule G Rental Income Information Not applicable to General Business Cases

### Schedule H Recapitulation of Funds Held at End of Month

	Account 1	Account 2	Account 3	Account 4	Account 5
Bank	Bank of America	Citibank	Bank of America	Bank of America	
Account Type	Analyzed Checking	Business Account	Money Market	Money Market	
Account No.	3755532383	500078217	3755547323	3755547789	
Account Purpose	General	Citibank Interest	Escrow Account	Money Market	
Balance, End of Month	\$129,553	\$249	\$4,025,893	\$9,138,348	
Total Funds on Hand for all Accounts	\$13,294,043				

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

#### **NOTES:**

- 1 Claimed Amounts reflects amounts filed on schedules and is subject to change as proof of claims are filed and further pre-petition invoices are identified.
- 2 Allowed Amounts have not yet been determined and are contigent upon approval from the Bankruptcy Court.

#### STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

### Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 06/30/07

		Actual Current Month	Cumulative (Case to Date)
Ca	sh Receipts	<u>Current Wortin</u>	(Case to Date)
1	Rent/Leases Collected		
2	Cash Received from Sales		\$7,643,557
3	Interest Received	\$52,919	\$340,670
4	Borrowings		40.10,0.0
5	Funds from Shareholders, Partners, or Other Insiders		\$5,000
6	Capital Contributions		++,,,,,,,
7	Management Fees from USA Capital Realty Advisors, LLC		\$1,564,093
8	Tax and Security Deposit Refund		\$5,698
9	Principal Received on Notes Receivable		\$82,832
10	Escrow Deposit/Sale Proceeds/Effective Date Transfer		\$30,494,389
11			\$0
12	<b>Total Cash Receipts</b>	\$52,919	\$40,136,239
Ca	sh Disbursements		
13	Payments for Inventory		
14	Selling		\$2,619
15	Administrative	\$579	\$784,922
16	Capital Expenditures		
17	Principal Payments on Debt		\$150,645
18	Interest Paid		\$4,888
	Rent/Lease:		
19	Personal Property		\$9,963
20	Real Property		\$569,426
	Amount Paid to Owner(s)/Officer(s)		
21	Salaries		
22	Draws		
23	Commissions/Royalties		
24	Expense Reimbursements		
25	Other		
26	Salaries/Commissions (less employee withholding)		\$1,740,393
27	Management Fees		+ - 1
_,	Taxes:		
28	Employee Withholding		\$213,091
29	Employer Payroll Taxes		\$94,063
30	Real Property Taxes		47.,000
31	Other Taxes		\$25,043
32	Other Cash Outflows:		Ψ23,013
33	Professional Fees Paid in Connection with Chapter 11 Case		\$15,421,466
34	U.S. Trustee Quarterly Fees		\$28,000
35	Escrow Deposit Settlement	\$8,373,909	\$8,373,909
36	Eseron Deposit Settlement	40,575,707	Ψ0,575,505
37			
38	Total Cash Disbursements:	\$8,374,488	\$27,418,428
39 <b>Ne</b>	t Increase (Decrease) in Cash	(\$8,321,569)	\$12,717,811
40 <b>Ca</b>	sh Balance, Beginning of Period	\$21,615,612	\$576,231
41 <b>Ca</b>	sh Balance, End of Period	\$13,294,043	\$13,294,043

#### STATEMENT OF CASH FLOWS

(Optional) Increase/(Decrease) in Cash and Cash Equivalents For the Month Ended 06/30/07

Ca	ash Flows From Operating Activities	Actual <u>Current Month</u>	Cumulative (Case to Date)
1	Cash Received from Sales		\$7,643,557
2	Rent/Leases Collected		
3	Interest Received	\$52,919	\$340,670
4 5	Cash Paid to Suppliers Cash Paid for Selling Expenses		\$2,619
6	Cash Paid for Administrative Expenses	\$579	\$784,922
-	Cash Paid for Rents/Leases:		+. • .,,, ==
7	Personal Property		\$9,963
8	Real Property		\$569,426
9	Cash Paid for Interest		\$4,888
10	Cash Paid for Net Payroll and Benefits Cash Paid to Owner(s)/Officer(s)		\$1,740,393
11	Salaries		
12	Draws		
13	Commissions/Royalties		
14	Expense Reimbursements		
15	Other		
	Cash Paid for Taxes Paid/Deposited to Tax Acct.		40.40.4
16	Employer Payroll Tax	<del></del>	\$94,063
17 18	Employee Withholdings Real Property Taxes		\$213,091
19	Other Taxes		\$25,043
20	Cash Paid for General Expenses		Ψ23,013
21	Management Fees from USA Capital Realty Advisors, LLC		(\$1,564,093)
22	Tax and Security Deposit Refund		(\$5,698)
23	Principal Received on Notes Receivable		(\$82,832)
24			\$0
25 26			
20			
28	Ash Flows From Reorganization Items  Interest Received on Cash Accumulated Due to Chp 11 Case		
29	Professional Fees Paid for Services in Connection with Chp 11 Case		\$15,421,466
30 31	U.S. Trustee Quarterly Fees Escrow Deposit & Settlement/Sale Proceeds/Effective Date Transfer	\$8,373,909	\$28,000 (\$22,120,480)
			<u> </u>
32	Net Cash Provided (Used) by Reorganization Items	(\$8,373,909)	\$6,671,014
33 No	et Cash Provided (Used) for Operating Activities and Reorganization Items	(\$8,321,569)	\$12,863,456
Ca	ash Flows From Investing Activities		
34	Capital Expenditures		
35	Proceeds from Sales of Capital Goods due to Chp 11 Case		
36			
37	Net Cash Provided (Used) by Investing Activities	\$0	\$0
C	ash Flows From Financing Activities		
38	Net Borrowings (Except Insiders)		
39	Net Borrowings from Shareholders, Partners, or Other Insiders		\$5,000
40	Capital Contributions		
41	Principal Payments		\$150,645
42			
43	Net Cash Provided (Used) by Financing Activities	\$0	(\$145,645)
44 No	et Increase (Decrease) in Cash and Cash Equivalents	(\$8,321,569)	\$12,717,811
45 <b>C</b> a	ash and Cash Equivalents at Beginning of Month	\$21,615,612	\$576,231
46 <b>C</b> a	ash and Cash Equivalents at End of Month	\$13,294,043	\$13,294,043

# USA COMMERCIAL MORTGAGE COMPANY - COLLECTION ACCOUNT STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 06/30/07

		Actual Current Month	Cumulative (Case to Date)
Cas	sh Receipts		<u>,</u>
1	Rent/Leases Collected		
2	Cash Received from Sales		
3	Interest Received		\$2,058,843
4	Borrowings		
5	Funds from Shareholders, Partners, or Other Insiders		
6	Capital Contributions		
7	Cash Received from Borrowers		\$283,635,006
8			
9			
10			
11			
12	Total Cash Receipts	\$0	\$285,693,849
Cas	ch Disbursements		
13	Payments for Inventory		
14	Selling		
15	Administrative		
16	Capital Expenditures		
17	Principal Payments on Debt		
18	Interest Paid		
	Rent/Lease:		
19	Personal Property		
20	Real Property		
	Amount Paid to Owner(s)/Officer(s)		
21	Salaries		
22	Draws		
23	Commissions/Royalties		
24	Expense Reimbursements		
25	Other		
26	Salaries/Commissions (less employee withholding)		
27	Management Fees		
	Taxes:		
28	Employee Withholding		
29	Employer Payroll Taxes		
30	Real Property Taxes		
31	Other Taxes		
32	Other Cash Outflows:		Φ702.410
33	Extension/Late Fees/Default Interest Collected on Behalf of USA CM		\$793,410
34	Service Fees Paid to USA Commercial Mortgage	(\$240)	\$3,525,985
35	Payments to Investors Fees Collected on Behalf of Compass Partners	(\$248)	\$247,608,002
36	Effective Date Transfers to USACM		\$1,122,633
37	Effective Date Transfers to USACWI		\$41,696,978
38	Total Cash Disbursements:	(\$248)	\$294,747,008
39 <b>Net</b>	Increase (Decrease) in Cash	\$248	(\$9,053,159)
40 <b>Cas</b>	sh Balance, Beginning of Period	\$10	\$9,053,417
41 <b>Cas</b>	sh Balance, End of Period	\$258	\$258

## USA COMMERCIAL MORTGAGE COMPANY - COLLECTION ACCOUNT STATEMENT OF CASH FLOWS

(Optional) Increase/(Decrease) in Cash and Cash Equivalents For the Month Ended 06/30/07

	Cash Flows From Operating Activities	Actual <u>Current Month</u>	Cumulative (Case to Date)
1	Cash Received from Sales		
2	Rent/Leases Collected		
3	Interest Received	·	\$2,058,843
4	Cash Paid to Suppliers		
5	Cash Paid for Selling Expenses		
6	Cash Paid for Administrative Expenses Cash Paid for Rents/Leases:		
7	Personal Property		
8	Real Property		
9	Cash Paid for Interest	·	
10	Cash Paid for Net Payroll and Benefits		
	Cash Paid to Owner(s)/Officer(s)		
11	Salaries		
12	Draws		
13	Commissions/Royalties		
14	Expense Reimbursements		
15	Other		
1.0	Cash Paid for Taxes Paid/Deposited to Tax Acct.		
16	Employer Payroll Tax		
17 18	Employee Withholdings Real Property Taxes	<del></del>	
19	Other Taxes	<del></del>	
20	Cash Paid for General Expenses		
21	Cash Received from Borrowers	<del></del> -	(\$283,635,006)
22	Extension/Late Fees/Default Interest Collected on Behalf of USA CM	<del></del>	\$793,410
23	Service Fees Paid to USA Commercial Mortgage		\$3,525,985
24	Payments to Investors	(\$248)	\$247,608,002
25	Fees Collected on Behalf of Compass Partners		\$1,122,633
26	Effective Date Transfers to USACM		\$41,696,978
28	Net Cash Provided (Used) by Operating Activities before Reorganization Items  Cash Flows From Reorganization Items  Interest Received on Cash Accumulated Due to Chp 11 Case	\$248	(\$9,053,159)
29	Professional Fees Paid for Services in Connection with Chp 11 Case		
30	U.S. Trustee Quarterly Fees		
31		·	
32	Net Cash Provided (Used) by Reorganization Items	\$0	\$0_
33	Net Cash Provided (Used) for Operating Activities and Reorganization Items	\$248	(\$9,053,159)
	Cash Flows From Investing Activities		
34	Capital Expenditures		
35	Proceeds from Sales of Capital Goods due to Chp 11 Case		
36			
37	Net Cash Provided (Used) by Investing Activities	\$0	\$0
	Cash Flows From Financing Activities		
38	Net Borrowings (Except Insiders)		
39	Net Borrowings from Shareholders, Partners, or Other Insiders		
40	Capital Contributions		
41	Principal Payments	·	
42			
43	Net Cash Provided (Used) by Financing Activities	\$0	\$0
44	Net Increase (Decrease) in Cash and Cash Equivalents	\$248	(\$9,053,159)
45	Cash and Cash Equivalents at Beginning of Month	\$10	\$9,053,417
46	Cash and Cash Equivalents at End of Month	\$258	\$258

## USA COMMERCIAL MORTGAGE COMPANY - INVESTOR ACCOUNT STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

#### Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 06/30/07

Rentr   Casch   Received			Actual <u>Current Month</u>	Cumulative (Case to Date)
Rent/Leases Collected   S1,728   S18,788	Ca	sh Receipts	<u> </u>	<u> </u>
Interest Received				
Borrowings	2		<del></del> -	
Borrowings	3	Interest Received	\$1.728	\$18,788
Funds from Shareholders, Partners, or Other Insiders   Sample			. ,,	
6         Capital Contributions         \$8,900,000           7         Return of Funds from Title Company         \$8,900,000           8         Funding Assignments         \$200,000           10	5			
Return of Funds from Title Company   \$8,900,000				
Funding Assignments   S200,000				\$8,900,000
Cash Disbursements				
10		1 thing 71551gmments		<del></del>
Total Cash Receipts				
Cash Disbursements           13         Payments for Inventory           14         Selling           15         Administrative           16         Capital Expenditures           17         Principal Payments on Debt           18         Interest Paid           18         Interest Paid           20         Real Property           21         Salaries           22         Draws           23         Commissions/Royalties           24         Expense Reimbursements           25         Other           26         Salaries/Commissions (less employee withholding)           27         Management Fees           Taxes:         Taxes:           28         Employer Payroll Taxes           30         Real Property Taxes           31         Other Taxes           32         Other Cash Outflows:           33         Pre-Petition Check Cleared by Bank after Account Closed           4         Principal and Interest Payments to Investors           36         \$10,336,525           37         \$0           38         Total Cash Disbursements:         \$0           39         Net Increase (Decreas				
13	12	Total Cash Receipts	\$1,728	\$9,118,788
15				
15	13	Payments for Inventory		
16       Capital Expenditures         17       Principal Payments on Debt         18       Interest Paid         Rent/Lease:       —         19       Personal Property         20       Real Property         Amount Paid to Owner(s)/Officer(s)       —         21       Salaries         22       Draws         23       Commissions/Royalties         24       Expense Reimbursements         25       Other         26       Salaries/Commissions (less employee withholding)         27       Management Fees         Taxes:         28       Employee Withholding         29       Employer Payroll Taxes         30       Real Property Taxes         31       Other Taxes         32       Other Cash Outflows:         33       Pre-Petition Check Cleared by Bank after Account Closed       \$100,000         34       Principal and Interest Payments to Investors       \$10,336,525         35       Stock Cleared by Expensive Commissions       \$10,436,525         39       Net Increase (Decrease) in Cash       \$1,728       (\$1,317,737)         40       Cash Balance, Beginning of Period       \$656,668       \$1,976,133	14	Selling		
17	15	Administrative	<u> </u>	
17	16	Capital Expenditures		
Rent/Lease:	17	Principal Payments on Debt		
Personal Property	18	Interest Paid		
Real Property		Rent/Lease:		
Real Property	19	Personal Property		
Amount Paid to Owner(s)/Officer(s)  21		* *		
21				
Draws	21			
23				
24       Expense Reimbursements         25       Other         26       Salaries/Commissions (less employee withholding)         27       Management Fees         Taxes:       ————————————————————————————————————				
25				
26       Salaries/Commissions (less employee withholding)         27       Management Fees         Taxes:       ————————————————————————————————————				
Management Fees   Taxes:				
Taxes:  28				
28       Employee Withholding         29       Employer Payroll Taxes         30       Real Property Taxes         31       Other Taxes         32       Other Cash Outflows:         33       Pre-Petition Check Cleared by Bank after Account Closed       \$100,000         34       Principal and Interest Payments to Investors       \$10,336,525         35       \$10,336,525         36       \$10,336,525         37       \$0       \$10,436,525         39 Net Increase (Decrease) in Cash       \$1,728       (\$1,317,737)         40 Cash Balance, Beginning of Period       \$656,668       \$1,976,133	21			
Employer Payroll Taxes	20			
30   Real Property Taxes				
31   Other Taxes				
32       Other Cash Outflows:       \$100,000         33       Pre-Petition Check Cleared by Bank after Account Closed       \$100,000         34       Principal and Interest Payments to Investors       \$10,336,525         35       \$10,336,525         36       \$10,436,525         37       \$0       \$10,436,525         39 Net Increase (Decrease) in Cash       \$1,728       (\$1,317,737)         40 Cash Balance, Beginning of Period       \$656,668       \$1,976,133				
Standard				
Section   Sect	32	Other Cash Outflows:		
Section   Sect	33	Pre-Petition Check Cleared by Bank after Account Closed		\$100,000
35       36         37       38         38 Total Cash Disbursements:       \$0       \$10,436,525         39 Net Increase (Decrease) in Cash       \$1,728       (\$1,317,737)         40 Cash Balance, Beginning of Period       \$656,668       \$1,976,133				
36       37         38       Total Cash Disbursements:       \$0       \$10,436,525         39 Net Increase (Decrease) in Cash       \$1,728       (\$1,317,737)         40 Cash Balance, Beginning of Period       \$656,668       \$1,976,133		Timespar and interest 1 ayments to investors		ψ10,000,0 <b>2</b> 0
37       Sometime (Decrease)       \$10,436,525         39 Net Increase (Decrease) in Cash       \$1,728       (\$1,317,737)         40 Cash Balance, Beginning of Period       \$656,668       \$1,976,133		<del></del>		
39 Net Increase (Decrease) in Cash       \$1,728       (\$1,317,737)         40 Cash Balance, Beginning of Period       \$656,668       \$1,976,133				
40 Cash Balance, Beginning of Period \$656,668 \$1,976,133	38	Total Cash Disbursements:	\$0	\$10,436,525
	39 <b>Ne</b>	t Increase (Decrease) in Cash	\$1,728	(\$1,317,737)
41 Cash Balance, End of Period \$658,396 \$658,396	40 <b>Ca</b>	sh Balance, Beginning of Period	\$656,668	\$1,976,133
	41 <b>C</b> a	sh Balance, End of Period	\$658,396	\$658,396

Note:

<sup>1</sup> - Check cleared by Wells Fargo on April 19, 2006 and not returned to account by the bank.

### USA COMMERCIAL MORTGAGE COMPANY - INVESTOR ACCOUNT STATEMENT OF CASH FLOWS

(Optional) Increase/(Decrease) in Cash and Cash Equivalents For the Month Ended 06/30/07

Cash Flo	ws From Operating Activities	Actual <u>Current Month</u>	Cumulative (Case to Date)
1 Ca	sh Received from Sales		
2 Re	nt/Leases Collected		
	erest Received	\$1,728	\$18,788
	sh Paid to Suppliers		
	sh Paid for Selling Expenses		
	sh Paid for Administrative Expenses		
	sh Paid for Rents/Leases:		
7 8	Personal Property Real Property		
	sh Paid for Interest		
	sh Paid for Net Payroll and Benefits		
	sh Paid to Owner(s)/Officer(s)		
11	Salaries		
12	Draws		
13	Commissions/Royalties		
14	Expense Reimbursements		
15	Other		
Ca	sh Paid for Taxes Paid/Deposited to Tax Acct.		
16	Employer Payroll Tax		
17	Employee Withholdings		
18	Real Property Taxes		
19	Other Taxes		
20 Ca	sh Paid for General Expenses		
21	Pre-Petition Check Cleared by Bank after Account Closed		\$100,000
22	Return of Funds from Title Company		(\$8,900,000
23	Principal and Interest Payments to Investors		\$10,336,525
24	Funding Assignments		(\$200,000
25 26 27	Net Cash Provided (Used) by Operating Activities before Reorganization Items	\$1,728	(\$1,317,737
26	was From Reorganization Items erest Received on Cash Accumulated Due to Chp 11 Case	\$1,728	(\$1,317,737)
26	erest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case	\$1,728	(\$1,317,737
26 Cash Flo 28 Int 29 Pro 30 U.	was From Reorganization Items erest Received on Cash Accumulated Due to Chp 11 Case	\$1,728	(\$1,317,737
26 Cash Flo 28 Int 29 Pro 30 U.	erest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case	\$1,728	(\$1,317,737
227  Cash Flore  28 Interpretation U.  30 U.	erest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case	\$1,728	
26 Cash Flor 28 Intra 29 Pro 30 U. 31	erest Received on Cash Accumulated Due to Chp 11 Case offessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees		\$(
26 Cash Flore 28 Into 29 Pro 30 U. 31 Cash 32 Net Cash 33 Net Cash 33 Net Cash 34 Cash 35 Cash 36 Cash 36 Cash 36 Cash 37 Cash	ws From Reorganization Items erest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items	\$0	\$(
26	was From Reorganization Items erest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items was From Investing Activities pital Expenditures	\$0	SC
26	was From Reorganization Items erest Received on Cash Accumulated Due to Chp 11 Case offessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items was From Investing Activities	\$0	\$0
26	was From Reorganization Items erest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items was From Investing Activities pital Expenditures	\$0	\$(
26	was From Reorganization Items erest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items was From Investing Activities pital Expenditures	\$0	\$(\$1,317,737)
26	was From Reorganization Items erest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items was From Investing Activities pital Expenditures acceeds from Sales of Capital Goods due to Chp 11 Case	\$0 \$1,728	\$(\$1,317,73°
26	was From Reorganization Items erest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items was From Investing Activities pital Expenditures occeds from Sales of Capital Goods due to Chp 11 Case  Net Cash Provided (Used) by Investing Activities was From Financing Activities	\$0 \$1,728	\$(\$1,317,73°
227  Cash Flo 228  Int 229  Pr 330  U. 331  Cash Flo 34  Cash Flo 35  Cash Flo 36  Cash Flo 37  Cash Flo 38  Ne	rest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items ows From Investing Activities pital Expenditures occeds from Sales of Capital Goods due to Chp 11 Case  Net Cash Provided (Used) by Investing Activities ows From Financing Activities the Borrowings (Except Insiders)	\$0 \$1,728	\$(\$1,317,737)
227  Cash Flo  28 Int  29 Pr  30 U.  31 —  32  33 Net Cash  Cash Flo  34 Cash  77  Cash Flo  38 Net  39 Net	was From Reorganization Items erest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items was From Investing Activities pital Expenditures occeds from Sales of Capital Goods due to Chp 11 Case  Net Cash Provided (Used) by Investing Activities was From Financing Activities	\$0 \$1,728	\$(\$1,317,73°
227  Cash Flo  28 Int  29 Pr  30 U.  31 —  32  33 Net Cash  Cash Flo  34 Ca  35 Pr  36 —  37  Cash Flo  38 Net  39 Net  40 Ca	was From Reorganization Items  erest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items ows From Investing Activities pital Expenditures occeds from Sales of Capital Goods due to Chp 11 Case  Net Cash Provided (Used) by Investing Activities ows From Financing Activities t Borrowings (Except Insiders) t Borrowings from Shareholders, Partners, or Other Insiders	\$0 \$1,728	\$(\$1,317,737)
26	rest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items ows From Investing Activities pital Expenditures occeds from Sales of Capital Goods due to Chp 11 Case  Net Cash Provided (Used) by Investing Activities at Borrowings (Except Insiders) at Borrowings (Except Insiders) at Borrowings from Shareholders, Partners, or Other Insiders opital Contributions	\$0 \$1,728	\$0 (\$1,317,737
26	rest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items ows From Investing Activities pital Expenditures occeds from Sales of Capital Goods due to Chp 11 Case  Net Cash Provided (Used) by Investing Activities ows From Financing Activities t Borrowings (Except Insiders) t Borrowings from Shareholders, Partners, or Other Insiders pital Contributions incipal Payments	\$0 \$1,728	\$0 (\$1,317,737
26	rest Received on Cash Accumulated Due to Chp 11 Case offessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items was From Investing Activities pital Expenditures occeds from Sales of Capital Goods due to Chp 11 Case  Net Cash Provided (Used) by Investing Activities at Borrowings (Except Insiders) at Borrowings (Except Insiders) at Borrowings from Shareholders, Partners, or Other Insiders opital Contributions ancipal Payments  Net Cash Provided (Used) by Financing Activities	\$0 \$1,728 \$0 \$0 \$0	\$0 (\$1,317,737
26	erest Received on Cash Accumulated Due to Chp 11 Case ofessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items ows From Investing Activities pital Expenditures occeds from Sales of Capital Goods due to Chp 11 Case  Net Cash Provided (Used) by Investing Activities ows From Financing Activities t Borrowings (Except Insiders) t Borrowings from Shareholders, Partners, or Other Insiders pital Contributions occipal Payments  Net Cash Provided (Used) by Financing Activities ease (Decrease) in Cash and Cash Equivalents	\$0 \$1,728 \$0 \$0 \$1,728	\$0 (\$1,317,737 \$0 (\$1,317,737 \$0 (\$1,317,737
26	rest Received on Cash Accumulated Due to Chp 11 Case offessional Fees Paid for Services in Connection with Chp 11 Case S. Trustee Quarterly Fees  Net Cash Provided (Used) by Reorganization Items a Provided (Used) for Operating Activities and Reorganization Items was From Investing Activities pital Expenditures occeds from Sales of Capital Goods due to Chp 11 Case  Net Cash Provided (Used) by Investing Activities at Borrowings (Except Insiders) at Borrowings (Except Insiders) at Borrowings from Shareholders, Partners, or Other Insiders opital Contributions ancipal Payments  Net Cash Provided (Used) by Financing Activities	\$0 \$1,728 \$0 \$0 \$0	\$0 (\$1,317,737

Note:

<sup>1</sup> - Check cleared by Wells Fargo on April 19, 2006 and not returned to account by the bank.